

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JAYSHREE CHEMICALS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of JAYSHREE CHEMICALS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the



K. N. GUTGUTIA & CO.CHARTERED ACCOUNTANTS
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circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of 1(one) subsidiary, whose financial statements reflect total assets(net) of Rs. 6051300/- as at 31st March, 2015, total revenues of Rs. 72232/- and net cash inflows amounting to Rs 9425/- for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and Subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.



(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities— Refer Note 2.25(a) (i) to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

Date: 14th May, 2015
Place : Kolkata



For K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.304153E

B K BHUTIA
Partner
Membership No. 059363

JAYSHREE CHEMICALS LTD
Consolidated Balance Sheet as at 31st March, 2015

		(In Rupees)	
Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	2.1	293264570	293264570
(b) Reserves and Surplus	2.2	(230811262)	54574986
		62453308	347839556
(2) Minority Interest		465494	495502
(3) Non-current liabilities			
(a) Long-term Borrowings	2.3	344063680	513292605
(b) Deferred Tax Liabilities (Net)	2.4	-	-
(c) Long-term Provisions	2.5	4896590	5082268
		348960270	518374873
(4) Current liabilities			
(a) Short-term Borrowings	2.6	818832347	615033431
(b) Trade Payables	2.7	140250268	160777992
(c) Other Current Liabilities	2.8	455535240	288436970
(d) Short-term Provisions	2.9	1261474	1062758
		1415879329	1065311151
TOTAL(1+2+3+4)		1827758401	1932021082

II. ASSETS

(1) Non-current assets

(a) Fixed assets

(i) Tangible Assets

2.10 1441695872 1506767767

(ii) Intangible Assets

324748 701847

(iii) Capital Work-In-Progress

5206197 10888674

1447226817 1518358288

(b) Long-term loans and advances

2.11 107198066 103179289

(c) Other Non-Current Assets

2.12 8328836 8052319

1562753719 1629589896

(2) Current assets

(a) Inventories

2.13 53909893 48292269

(b) Trade receivables

2.14 148512507 179127789

(c) Cash and Bank Balances

2.15 27377409 29056465

(d) Short-term Loans and Advances

2.16 26166438 36679713

(e) Other Current Assets

2.17 9038435 9274950

265004682 302431186

TOTAL(1+2)

1827758401 1932021082

Significant Accounting Policies & Notes on Accounts

1 & 2

Notes Nos. 1 & 2 forming part of the Balance Sheet

In terms of our report on even date attached herewith

6C, Middleton Street,
Kolkata : 14th May, 2015



For K N GUTGUTIA & CO

Chartered Accountants

(Signature)

B. K. Bhutia
Partner

Membership No.059363

(Signature)

(Signature)

Directors

(Signature)

R.K. Gupta.

JAYSHREE CHEMICALS LTD
Consolidated Statement of Profit and Loss for the Year Ended 31st March, 2015

(In Rupees)			
Particulars	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
I. Revenue from operations			
Sales (Gross)		1342845478	1363747529
Less: Excise Duty		146463718	151205480
Sales (Net)		1196381760	1212542049
Other Operating Revenues		6466875	6650300
		1202848635	1219192349
II. Other income	2.18	16185162	16664790
III. Total Revenue (I + II)		1219033797	1235857139
IV. Expenses:			
Cost of Materials Consumed	2.19	307626969	265682735
Power and Fuel Expenses		656610592	651830705
Changes in Inventories of Finished Goods and Work-In-Progress	2.20	(10647983)	4727758
Employee Benefits Expense	2.21	122895927	122152644
Finance Costs	2.22	223566084	196647773
Depreciation and Amortization Expense	2.10	85544777	94367981
Other Expenses	2.23	131376746	106328717
Total expenses		1516973112	1441738313
V. Profit before exceptional and extraordinary items and tax(III-IV)		(297939315)	(205881174)
VI. Exceptional items		(14833755)	11137441
VII. Profit before extraordinary items and tax (V - VI)		(283105560)	(217018615)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		(283105560)	(217018615)
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax(Net)		-	(36142000)
(3) MAT Credit Entitlement		-	-
(4) Income Tax/FBT provision/payment for earlier year		2310696	37197
		2310696	(36104803)
XI. Profit after Tax (IX-X)		(285416256)	(180913812)
XII. Minority Interest		(30008)	(21557)
XIII. Profit (Loss) for the period from continuing operations(XI-XII)		(285386248)	(180892255)
XII. Earnings per equity share:			
Equity share of par value Rs. 10/-each	2.31		
(1) Basic		(9.73)	(6.17)
(2) Diluted		(9.73)	(6.17)

Significant Accounting Policies & Notes on Accounts

1 & 2

Notes Nos. 1 & 2 forming part of the Statement of Profit and Loss

In terms of our report on even date attached herewith

6C, Middleton Street,
Kolkata : 14th May, 2015



For K N GUTGUTIA & CO
Chartered Accountants

B. K. Bhutia

Partner

Membership No.059363

Directors

R. K. Gupta

JAYSHREE CHEMICALS LIMITED

Consolidated Cash Flow Statement for the year ended 31st March, 2015

(In Rupees)

<u>PARTICULARS</u>	Year ended 31.03.2015	Year ended 31.03.2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra-ordinary Items	(283,105,560)	(217,018,615)
<u>Adjustments for:</u>		
-Depreciation	85,544,777	94,367,981
-Net Profit/(Loss) on sale of fixed/discarded assets	3,998,691	151,492
-Bad Debts Written Off	7,051,173	2,996,414
-Obsolete Inventory Written Off	832,157	-
-Sundry Balances Written Off	62,825	-
-Interest Expenses	223,133,598	196,340,955
-Liabilities no longer required written back	(1,702,701)	-
-Interest Income	(10,178,123)	(9,478,016)
Operating Profit Before Working Capital Changes	25,636,837	67,360,211
<u>Adjustments for:</u>		
-Trade Payables	147,625,856	37,620,259
-Trade and other Receivables	28,452,735	10,847,268
-Inventories	(6,449,781)	11,642,767
Cash Generated from Operations :	195,265,647	127,470,505
-Direct Taxes Paid	(704,825)	(1,666,256)
Net Cash generated from Operating Activities	194,560,822	125,804,249
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(Net)	(18,411,997)	(64,122,282)
Sale of Fixed/Discarded Assets	-	123,659
Interest Received	10,414,638	9,478,016
Miscellaneous Expenses	(276,517)	(31,169)
Net Cash used in Investing Activities	(8,273,876)	(54,551,776)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term Borrowings	204,396,521	300,417,046
Repayment of Long Term Borrowings	(169,228,925)	(167,913,820)
Unclaimed Dividend Paid	-	(750)
Interest Paid	(223,133,598)	(196,340,955)
Net Cash generated/(used) in Financing Activities	(187,966,002)	(63,838,479)
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)	(1,679,056)	7,413,994
Opening Cash and Cash Equivalents	29,056,465	21,642,471
Closing Cash and Cash Equivalents	27,377,409	29,056,465

This is the Cash Flow statement referred to in our Report of even date.

For K N GUTGUTIA & CO
Chartered Accountants

B. K. Bhutia
B. K. Bhutia
Partner
Membership No.059363

[Signature]
[Signature]
Directors

6C, Middleton Street,
Kolkata : 14th May, 2015



[Signature]
R. K. Gupta

CONSOLIDATED ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDED
31ST MARCH, 2015

(Forming an integral part of the Consolidated Balance Sheet and Consolidated Statement of Profit & Loss)

Note No. 1

A) SIGNIFICANT ACCOUNTING POLICIES :

1) Accounting Concept :

The financial statements have been prepared under the historical cost convention on the accrual basis in accordance with the generally accepted accounting principles, Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014 and relevant provisions thereof.

2) Use of Estimates :

The preparation of financial statements requires to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure relating to contingent liabilities and assets as at the Balance Sheet date and reported amount of income and expenses during the year.

Contingencies are recorded when probable that liability will be incurred and the amount can reasonably be estimated.

Difference between the actual result and the estimates are recognised in the year the result are known /materialised.

3) Fixed Assets :

Fixed Assets are stated at cost excluding excise duty and education cess thereon. In respect of major projects involving construction, erection etc. related pre-operational expenses (net of revenue) form part of the value of the assets capitalised. Fixed assets retired from active use and held for disposal are valued at lower of their written down value or net realizable value.

4) Depreciation :

Depreciation on fixed assets is calculated in a manner that it depreciates / amortises the depreciable values of fixed assets over their estimated useful lives. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value.

5) Investment:

Long term investments are valued at cost. Decline in the value of investment, other than temporary in nature, are provided/charged to the Statement of Profit & Loss.

6) Inventories :

Inventories are valued at cost or net realisable value, whichever is lower. Cost comprises, for finished goods, cost of purchase and production overheads. Work-in-progress is valued at material cost. All other inventories are valued as per weighted average method.



7) Excise Duty :

Excise duty inclusive of Education Cess is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.

8) Retirement Benefits :

(i) The Company has constituted a separate Gratuity Trust Fund. Yearly contribution towards accrued liability on account of gratuity payable to employees is provided in the accounts on the basis of actuarial valuation and is paid to the Trust from time to time.

(ii) Leave liability in respect of employees is accounted for on actuarial valuation basis.

9) Taxation :

Current income tax is estimated at the amount estimated to be paid under the Income Tax Act, 1961 and is charged to Statement of Profit & Loss for the year.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realised in future. Deferred tax assets are recognized on unabsorbed losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

10) Sales :

Sales are inclusive of Excise Duty and Education Cess and exclusive of Sales Tax and net of brokerage & commission.

11) Recognition of Income & Expenditure :

All items of Income & Expenditure are accounted for on accrual basis, unless otherwise stated.

12) Foreign Currency Transactions :

Foreign currency transactions and Forward Contracts are accounted for at the prevailing exchange rate on the date of transactions.

Foreign currency monetary assets and liabilities and unsettled forward contracts are translated on the basis of closing exchange rate.

Foreign currency non-monetary assets and liabilities are carried as per the exchange rate on the date of transaction.

Exchange differences arising on settlement/conversion of monetary assets and liabilities are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.



13) Borrowing Costs :

Borrowing costs relating to (i) funds borrowed for acquisition of Fixed Assets are capitalised and (ii) funds borrowed for other purpose are charged to Statement of Profit & Loss.

14) Impairment of Assets :

Impairment is recognised to the extent that the recoverable amount of an asset is less than its carrying amount and the difference is charged to Statement of Profit & Loss as prescribed by the ICAI in Accounting Standard 28 - Impairment of Assets.

15) Segment Reporting :

The Company has identified that its business segments are the primary segments. The Company identifies the business segments on the basis of products, risks and returns and internal reporting system.

The geographical segment identification is based on the location of customers of the Company.

The Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Common cost, if any, is allocable on reasonable basis. The revenues, expenses, assets and liabilities which are not allocable are shown as "Unallocated".



JAYSHREE CHEMICALS LTD
Notes to the Consolidated Balance Sheet as at 31st March, 2015

(In Rupees)

Particulars	As at 31.03.2015	As at 31.03.2014
2 Notes on Accounts		
2.1 Share Capital		
<u>Authorised Capital</u>		
Equity Share of Rs. 10 par value		
4,00,00,000(4,00,00,000) Equity Shares	400000000	400000000
<u>Issued, Subscribed and paid-up Capital</u>		
Equity Share of Rs. 10 par value	293264570	293264570
2,93,26,457(2,93,26,457) Equity Shares of Rs. 10/-each fully Paid Cash		

NOTES:

- 1 The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
- 2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts..However, no such preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.

3 Details of Share holders holding more than 5% of total shares as on 31st March, 2015

Name of Shareholder	No. of Shares	% to Total Shares
Shree Satyanaran Investments Co Ltd	2211248	7.540
The Thirumbadi Rubber Co. Ltd	1837000	6.264
Veer Enterprises Limited	3141958	10.714

4 The reconciliation of the number of shares outstanding as at 31st March, 2015 is as below:

Particulars	As at 31st March 2015	As at 31st March 2014
Number of shares at the beginning	29326457	29326457
Number of shares at the closing	29326457	29326457

2.2 Reserve & Surplus

Capital Redemption Reserve			
As per last Account		3000000	3000000
Capital Reserve			
As per last Account		267234	267234
Share Premium			
As per last Account		121013227	121013227
Investment Allowance Utilised reserve			
As per last Account		812000	812000
General Reserve			
As per last Account		2442936	2442936
Surplus			
Opening Balance		(72960411)	107931844
Add: Net profit after tax transferred from Statement of Profit and Loss		(285386248)	(180892255)
		(358346659)	(72960411)
Total (2.2)		(230811262)	54574986

2.3 Long Term Borrowings

1 Term Loans-Secured			
a From Banks		299000307	468034982
b From Govt. of Odisha		-	194250
		299000307	468229232
2 Deferred Payment Liabilities		45063373	45063373
Total (2.3)		344063680	513292605

NOTES:

1 Term Loans-Secured			
a From Banks			
i Rupee/FCNR(B)/FCTL Term Loan		298320795	466640471
ii Car Loan		679512	1386511
		299000307	468034982
b From Other Parties			
Govt of Odisha for Subsidised Housing Scheme		-	194250
		299000307	468229232

Notes:

Terms of Repayment

Outstanding Rupee Term Loan availed for Wind Mill is repayable in 12 quarterly instalments of Rs. 18,75,000/- each
Outstanding Rupee/FCNR(B) Term Loans are repayable in 18 quarterly instalments of Rs. 3,75,00,000/- each.
Outstanding Rupee Term Loans from UBI are repayable in 9 quarterly instalments of Rs. 30,00,000/- each.

Default in Repayment

The Company has defaulted in repayment of long term borrowing to bank as on 31.03.2015 of Rs. 91622589/- (including interest).



The Company acquired vehicles under Hire Purchase Scheme, Minimum Lease payment outstanding as at 31st March 2015 in respect of these assets are as under :

Due	Total Minimum Lease Outstanding as on 31st March 2015	Interest not due	Present Value minimum lease Payments
Within one year	107970	107970	705774
Last Year	204933	204933	965079
Later than one year and not later than five years	75072	75072	679512
Last year	186504	186504	1386511
Total : Current Year	183042	183042	1385286
Total : Last Year	391437	391437	2351590

Nature of Security

For Modernisation cum Expansion Project :

Secured by first pari-passu charge inter-se by way of hypothecation of machinery and other fixed assets acquired or to be acquired out of the Term Loans from State Bank of Bikaner And Jaipur, State Bank of India and Indian Overseas Bank, the Term Lenders, and equitable mortgage of all the piece and parcel of factory land and other land aggregating to 140.80 Acres (lease hold land measuring about 107.41 Acres and free hold land measuring about 33.39 Acres) (excluding Wind Mill Land and Wind Mill receivables) situated at Ganjam District, Kalyanpur, Kanchipur, Jarapadar at Jayshree Nagar where the Company's registered office is located together with all buildings and structures, plant & machineries erected thereon, both present and future, and second charge on the current assets of the Company.

Out of total land of 140.80 Acres leasehold land measuring 42.79 Acres is presently mortgaged with the Government of Odisha. The Company is to create equitable mortgage thereon in favour of Banks on release of charge by Government of Odisha. At present FDR of Rs 10.86 lacs equivalent to amount of dues of Government of Odisha are held under lien with State Bank of Bikaner and Jaipur, and a mortgage on land purchased from OSFC measuring 2.40 Acres is to be created.

For Wind Mill Project :

Exclusively secured by first pari-passu charge by way of hypothecation on the whole movable fixed assets purchased/to be purchased out of the term loans for the wind mill project at Bogampatti Village, Suler Taluk, Tirupur, Coimbatore and Wind Mill receivables in favour of State Bank of Bikaner And Jaipur (SBBJ) and Indian Overseas Bank (IOB) and second charge on the current assets ranking pari-passu with other term lenders and to be further secured by equitable mortgage of Wind Mill project land measuring 2 Acres in favour of SBBJ and IOB on pari-passu basis.

2 Deferred Payment Liabilities

Electricity Duty payable	45063373	45063373
Total(2.3)	344063680	513292605

2.4 Deferred Tax Liabilities (Net)

The company has not recognised the deferred tax (net) assets as there is no reasonable and virtual certainty that these would be realised in immediate future.

2.5 Long Term Provisions

<u>Provision for Employees Benefit</u>		
Leave Liability	4896590	5082268
Total (2.5)	4896590	5082268

2.6 Short Term Borrowings

a <u>Loan Repayable On demand (Secured)</u>		
	<u>From Banks</u>	
	Cash Credit A/c	148544581
b <u>Loan Repayable On demand (Unsecured)</u>		94633431
	From Bodies Corporate	399387766
c <u>Loan from Related Parties</u>		430700000
		270900000
Total (2.6)		818832347
		615033431

For Short Term Borrowings

Secured by hypothecation of stocks of Raw Materials, Stores, Finished Products, Stock-in-Process and book-debts by way of first charge on pari-pasu basis (except Wind Mill receivables) with other term lenders and second charge on entire fixed assets of the Company, both present and future.

Default in Repayment

The Company has defaulted in repayment of Short term borrowing to bank as on 31.03.2015 of Rs. 47926267/- (including interest).

2.7 Trade Payable

a MSME	226590	212740
b Others	140023678	160565252
Total (2.7)	140250268	160777992

NOTES:

Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company : Principal amount Outstanding as at 31st March,2015 Rs.226590/- (Rs 212740/-)



2.8 Other Current Liabilities

a	Current Maturities of Long term Borrowings	245030184	194040079
b	Interest Accured But Not Due on Borrowings	19612088	5825745
c	Interest Accured and Due on Borrowings	10695009	6653330
d	Unpaid Dividends	209735	209735
e	<u>Others Payble</u>		
	i Amount Payable to Employees	4757835	4910551
	ii Income Tax and Other Dues Payables to Govt Dept	18824103	5465219
	iii Provision for Expenses	34367596	28842214
	iv Other Payables	14055783	16343027
	v Advance from Customers	88710738	12007797
	vi Security Deposit from Parties	1519265	1220131
	vii Provision for Gratuity	17752904	12919142
		179988224	81708081
	Total (2.8)	455535240	288436970

2.9 Short Term Provisions

a	Provision for Employees Benefit		
	Leave Liability	1261474	1062758
	Total (2.9)	1261474	1062758



2.10 CONSOLIDATED FIXED ASSETS AS AT 31ST MARCH, 2015

(In Rupees)

PARTICULARS	ORIGINAL	ADDITION	SOLD OR	TOTAL	TOTAL DEPRN.	DEPRN	SOLD OR	TOTAL	W. D. V.	W. D. V.
	COST AS ON 01/04/2014	DURING the year 2014-15	ADJUSTMENT DURING 2014-15	COST AS ON 31/03/2015	PROVIDED UPTO 01/04/2014	FOR THE year 2014-15	ADJUSTMENT DURING 2014-15	DEPRN. UP TO 31/03/2015	AS ON 31/03/2015	AS ON 31/03/2014
Tangible Assets										
Land (Free hold)	3374249	-	-	3374249	-	-	-	-	3374249	3374249
Land (Lease hold)	277589	647310	-	924899	147582	20739	-	168321	756578	130007
Development of Site including Roads	7478243	3984214	-	11462457	4471592	2009862	-	6481454	4981003	3006651
Buildings	320340110	818465	-	321158575	38013341	10541145	-	48554486	272604089	282326769
Plant & Machinery	1190837478	16678801	8559021	1198957258	216282869	42107739	4989433	253401175	945556083	974554609
Railway Siding	1559968	-	1559968	-	1284369	-	1284369	-	-	275599
Water Supply & Tube Well	27418720	37041	-	27455761	5258974	919411	-	6178385	21277376	22159746
Furniture & Fittings	2872063	98076	-	2970139	2056891	87821	-	2144712	825427	815172
Office Equipments	5022995	27300	-	5050295	4254415	426942	-	4681357	368938	768580
Electrical Installation	211317700	1512165	-	212829865	35241930	23804684	-	59046614	153783251	176075770
Motor Car & Vehicles	7447437	-	-	7447437	3978620	591027	-	4569647	2877790	3468817
Laboratory Equipments	6264576	291100	-	6555676	2270577	568943	-	2839520	3716156	3993999
Handling Equipments	70098060	-	2065746	68032314	34280261	4089365	1912244	36457382	31574932	35817799
Intangible Assets										
Computer Software	996033	-	-	996033	294186	377099	-	671285	324748	701847
Previous Year Figure	1799390561	59458925	3544265	1855305221	256736741	94367980	3269114	347835607	1507469614	
	1855305221	24094472	12184735	1867214958	347835607	85544777	8186046	425194338	1442020620	1507469614

Notes:

1 The Company has capitalized Rs. 11,47,450/- (Rs. 79,16,483/-), being the exchange differences arising on long term foreign currency monetary items at rates different from those at which they were recorded during at which they were recorded during the period or in previous financial statements, in so far as they relate to the acquisition of depreciable capital assets, as per Notification No.G.S.R.225(E) Dt.31st March, 2009 (as amended), issued by the Ministry of Corporate Affairs.

2 There is no impairment of Assets during the year and therefore no adjustment has been made thereof.

3 The Company has changed its accounting policy of charging depreciation in accordance with schedule II of the Companies Act, 2013 w.e.f. 01.04.2014. Had the Company followed earlier method of charging depreciation, the depreciation amount would have been increased by Rs. 50,57,312/-.



JAYSHREE CHEMICALS LTD
Notes to the Consolidated Balance Sheet as at 31st March, 2015

(In Rupees)

Particulars	As at 31.03.2015	As at 31.03.2014
2.11 Long Term Loans and Advances :		
(Unsecured considered good)		
a Capital Advances	-	-
b Security Deposit	104984416	100981463
c Deposit With Sales Tax	2213650	2197826
Total (2.11)	107198066	103179289
2.12 Other Non-Current Assets		
Others+Preliminary and Pre-operative Expenses	8328836	8052319
Total (2.12)	8328836	8052319
2.13 Inventories		
a Raw materials	13932859	9922534
b Work -in- Progress	2272587	2345814
c Finished Goods	14905759	4184549
d Stores and Spares	22798688	31839372
Total (2.13)	53909893	48292269
NOTES:		
Inventories are valued at cost or net realisable value, whichever is lower		
2.14 Trade Receivable		
(Unsecured considered good)		
a More than 6 Months from the due date	7457143	15823168
b Others	141055364	163304621
Total (2.14)	148512507	179127789
NOTES:		
In the opinion of the management the amounts are good and realisable.		
2.15 Cash and Bank Balances:		
a <u>Cash and Cash equivalents:</u>		
i Balances with Banks		
In Current Account	3815209	6001640
ii Cash on Hand	1778449	604325
	5593658	6605965
b <u>Others</u>		
i Unpaid Dividend A/c	209735	209735
ii Special Term Deposit/Margin Money with Banks	21574016	22240765
	21783751	22450500
Total (2.15)	27377409	29056465
Note :		
Special Term Deposit(bii) includes Rs.21086901/-(21790801/-) having maturity more than 12 months		
2.16 Short Term Loans & Advances		
(Unsecured considered good)		
a Loan to Employees	898742	1091457
b Other Recoverable Advances	10733755	2100000
c Balances With Excise and other Govt. Dept.	2099418	9656308
d Advance to Parties	1930935	11002595
e Prepaid Expenses	2898450	3611899
f Advance Income Tax(Net of Income Tax Provision)	7605138	9217453
Total (2.16)	26166438	36679713
2.17 Other Current Assets		
Interest accrued and due on Deposit	9038435	9274950
Total (2.17)	9038435	9274950
Notes:		
In the opinion of the management the amounts are good and realisable.		



JAYSHREE CHEMICALS LTD

Consolidated Notes to Statement of Profit and Loss for the year ended 31st March, 2015

(In Rupees)

Particulars	(In Rupees)	
	Year Ended 31.03.2015	Year Ended 31.03.2014
2.18 Other Income		
a Interest		
From Bank	1870354	1622734
From Other	8307769	7855282
	<u>10178123</u>	<u>9478016</u>
b Other non-operating income		
i Liabilities no longer required written back	1733383	161380
ii Net Profit on sale of fixed/discarded assets	-	36452
ii Miscellaneous Receipts	4273656	6988942
	<u>16185162</u>	<u>16664790</u>
2.19 Cost of Materials Consumed		
(Including own production)		
a Opening Stock of Raw Materials	8573996	17011485
b Add: Raw materials Purchased	309997466	257245246
	<u>318571462</u>	<u>274256731</u>
c Less: Closing Stock of Raw Materials	10944493	8573996
	<u>307626969</u>	<u>265682735</u>
Notes:		
Cost of Materials Consumed Includes employee benefits expenses Rs. 3222841/- (Rs.2790725), Power & Fuel Rs. 949148/- (Rs.912679/-), Repairs & Maintance Rs. 1838517/- (Rs.2592747/-), Insurance Rs. 5232/- (Rs.7022-) and Rates & Taxes Rs. 5226214/- (Rs.378907/-)		
2.20 Changes in Inventories		
a Opening Inventories		
1 Finished Goods	4184549	9172031
2 Work-in-progress	2345814	2086090
	<u>6530363</u>	<u>11258121</u>
b Less: Closing Inventories		
1 Finished Goods	14905759	4184549
2 Work-in-progress	2272587	2345814
	<u>17178346</u>	<u>6530363</u>
(Increase) / Decrease in Inventories	<u>(10647983)</u>	<u>4727758</u>
2.21 Employees Benefit Expenses		
a Salaries and Wages	96899216	95711208
b Contribution to provident and other funds (Including Admn. Charges)	9582953	10472200
c Staff Welfare Expenses	16413758	15969236
	<u>122895927</u>	<u>122152644</u>
Note:		
i Employees Benefit Expenses includes		
Provision for Gratuity	9644224	4759768
Provision for Leave Encashment	1765428	1586402
	<u>11409652</u>	<u>6346170</u>
ii Employees Benefit Expenses includes managerial remuneration Rs.8189691/- (Rs. 6863654/-)		
2.22 Finance Cost		
a Interest Expenses		
Bank	84441545	96642882
Others	98247475	59430964
	<u>182689020</u>	<u>156073846</u>
b Other Borrowing Costs	40877064	40573927
	<u>223566084</u>	<u>196647773</u>



2.23 Other Expenses

a	Consumption of stores and spares part	11688451	5969170
b	Rent (Net)	1371644	1405075
c	Transportation Charges(Net)	17042983	3201894
d	<u>Repairs & Maintenance</u>	44724246	51231745
	i) Buildings	4396585	3852639
	ii) Plants & Machineries	23204191	28082862
	iii) Others	17123470	19296244
e	Insurance	2390635	1933985
f	Rates and Taxes	6840412	6821230
g	Travelling & Vehicles Expenses	8587452	8930215
h	Legal Expenses	3963087	1142170
i	Loss on sale/discard of fixed assets	3998691	187944
j	Bad Debts Written Off	7051173	2996414
k	Obsolete Inventory Written Off	832157	-
l	Sundry Balance Written Off	62825	-
m	Difference of excise duty on opening/closing of finished goods stocks	1049938	(729228)
n	Director's Sitting Fees	195000	195000
o	Payments to the Auditor	435131	376672
p	CSR Expenses	1186387	1883920
q	Miscellaneous Expenses	19956534	20782511
		131376746	106328717

Notes:**1 Rent(Net)**

Rent Paid	1460724	1494830
Rent Received	(89080)	(89755)
	1371644	1405075

2 Transportation Charges(Net)

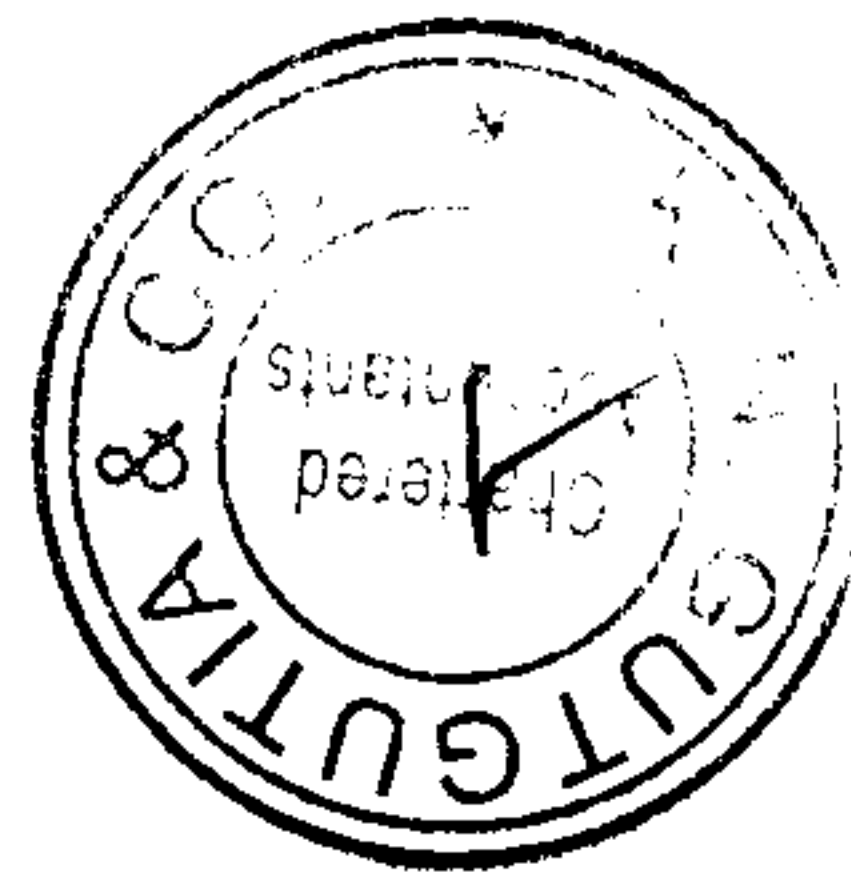
Paid	166031060	130038836
Realised	(148988077)	(126836942)
	17042983	3201894

3 Repairs & Maintenance includes consumption of stores and spares part
Rs.16476931/- (Rs.22543880/-)

4 Payments to the Auditor

a	Auditors' Remuneration	130618	130618
b	For Taxation Matters	50000	50000
c	For Other Services	158125	133375
d	For Re-imbusement of Expenses	66388	32679
e	Payment to Cost Auditor	30000	30000
		435131	376672

5 CSR Expenses includes Donation of Rs. 400000/- (Rs400000/)



JAYSHREE CHEMICALS LTD

Notes to the Consolidated Financial Statements for the year ended 31st March,2015

(In Rupees)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
-------------	--------------------------	--------------------------

2.24 Principles of Consolidation

(i) Consolidated Financial Statements relate to Jayshree Chemicals Limited(The Company) and its subsidiary -East Coast Powers Limited (The Subsidiary).

(ii) The Financial Statement of the Company and its Subsidiary have been prepared on a line by line consolidation by adding the book values of the like items of assets, liabilities, income and expenses as per the respective audited financial statements of the respective Companies.

The accounts of the Subsidiary have been audited by the auditors qualified to conduct audit.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner the Company's individual financial statements.

Minority Interest consists of the amount of equity attributable to the minority shareholders at the date on which investments have been made by the Company in the Subsidiary Company and further movements in their share in equity subsequent to the date of investments.

Intra Group balances, intra group transactions and resulting unrealized profits have been eliminated.

2.25 Contingent liabilities and commitments

a) Contingent Liabilities

(i) Claims against the Company not Acknowledge as Debt (net of deposit)

- i) Sales Tax Demand under Appeals
- ii) Income Tax Demand under Appeals
- iii) Others

8251465	4598885
-	223629
<u>59592288</u>	<u>50115126</u>
67843753	54937640
<u>43431109</u>	<u>83508582</u>
<u>111274862</u>	<u>138446222</u>

(ii) Guarantees

b) Commitments

(i) Outstanding Estimated Capital Commitment(Net of Advances)

2046600

1222539

(ii) Other commitment:

Derivative Instruments:

i) The Company uses foreign currency forward contracts to hedge risk associated with foreign currency fluctuations. The Company does not use forward contracts for speculative purposes.

Outstanding Forward Contracts entered into by the Company on account of payables:

Loan Payable

As at	No. of Contracts	US Dollar	INR Equivalent
31.03.2015	2	3741000	224839327
31.03.2014	2	4762500	281859698

ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amount Payable in Foreign currency on account of the following:

<u>Loan Payable</u>			
As at	No. of Contracts	US Dollar	INR Equivalent
31.03.2015	-	-	-
31.03.2014	1	434000	26082521

2.26 Segment Reporting

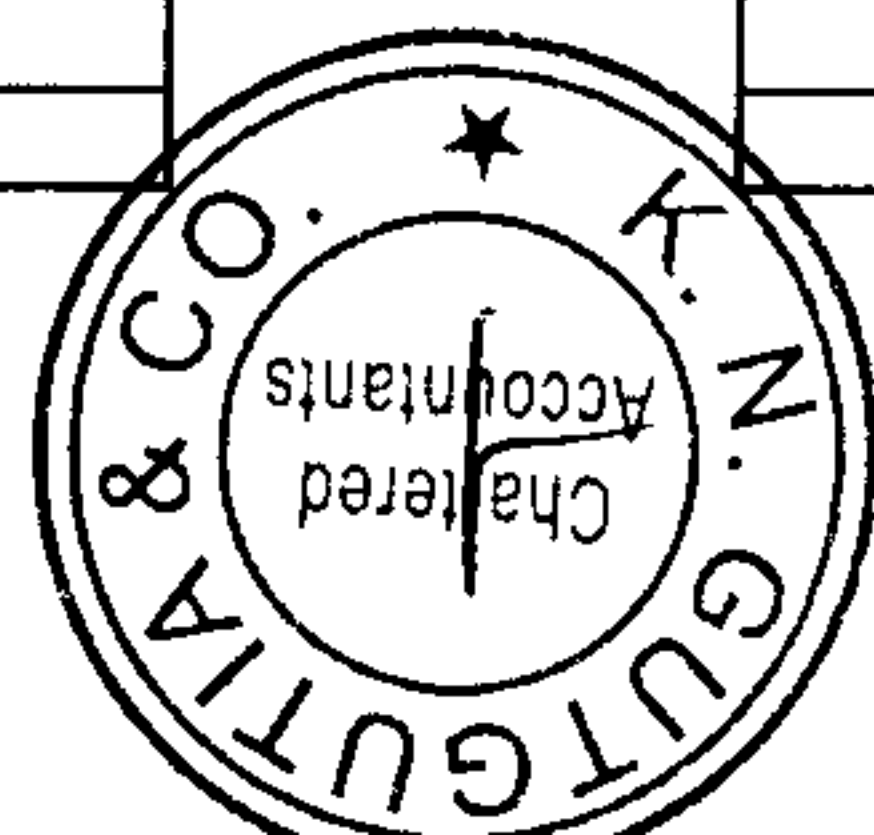
The company has no reportable business segment as per AS-17 "Segment Reporting" as it mainly deals into the business of chemicals only. The Company caters mainly to the needs of domestic market. There is no export turnover during the year, as such there are no reportable Geographical segments.



2.27 Related Party disclosure :

A) Name of the related party with whom the Company has transactions during the year	
Name of the related party	Relationship
The West Coast Paper Mills Ltd	Control of KMP
Shree Ram Trust	Control of KMP
Orbit Udyog Pvt. Ltd.	Control of KMP
B.N. Kapur Pvt Ltd	Control of KMP
The Thirumbadi Rubber Co. Ltd.	Control of KMP
Crossley & Towers Pvt.Ltd	Control of KMP
Shree Satyanarayan Investments Co. Ltd	Control of KMP
The Diamond Company Ltd	Control of KMP
Sri Girija Prasanna Cotton Mills Ltd .	Control of KMP
The Indra Company Ltd.	Control of KMP
Veer Enterprises Ltd.	Control of KMP
Akhivita Tea Plantation & Agro Ind. Ltd.	Control of KMP
Gold Mohore Investments Co. Ltd.	Control of KMP
Saumya Trade & Fiscal Services (P) Ltd.	Control of KMP
Shree Kumar Bangur	Chairman
Virendraa Bangur	Managing Director
P N Ojha	Executive Director
P K Gupta	Chief Financial Officer
R K Guprta	Company Secretary
Shashi Devi Bangur	Relative of KMP
Bharati Bangur - Executive (Corporate Affairs)	Relative of KMP
Note :KMP means Key Managerial Personnel	

B) Related Party transactions are as follows:		2014-2015	2013-2014
Nature of Transactions		Amount	Amount
		(Rs.)	(Rs.)
Rent Received from The West Coast Paper Mills Ltd		158616	159904
Sale of goods to The West Coast Paper Mills Ltd.		3294276	3900161
Rent & Service Charges paid - Veer Enterprises Ltd.		1091124	1101128
Donation paid - Shree Ram Trust, Kolkata		400000	400000
Loan received from The Diamond Co. Ltd		3700000	2000000
Loan repayment to The Diamond Co. Ltd		-	5000000
Interest paid to The Diamond Co. Ltd		2389760	203835
Loan received from Sri Girija Prasanna Cottons Mills Ltd		-	15200000
Loan repayment to Sri Girija Prasanna Cottons Mills Ltd		-	-
Interest paid to Sri Girija Prasanna Cotton Mills Ltd .		2338730	1419042
Loan received from Shree Satyanarayan Investment co.ltd		31800000	32500000
Loan repayment to Shree Satyanarayan Investment co.ltd		20000000	10000000
Interest paid to Shree Satyanarayan Investments co. ltd		4408243	380068
Loan received from Crossley & Towers Pvt Ltd		-	10000000
Loan repayment to Crossley & Towers Pvt Ltd		-	-
Interest Paid to Crossley Towers pvt ltd		1614657	1286302
Loan received from The Thirumbadi Rubber Co. Ltd		-	40000000
Loan repayment to The Thirumbadi Rubber Co. Ltd		-	40000000
Interest paid to The Thirumbadi Rubber Co. Ltd		-	182602
Loan received from B.N.Kapur Pvt. Ltd.		-	2000000
Loan rrepayment to B.N.Kapur Pvt. Ltd.		-	-
Interest paid to B.N.Kapur Pvt. Ltd		323673	123945
Loan Received from Veer Enterprises Ltd.		36200000	40000000
Loan repayment to Veer Enterprises Ltd.		20000000	20000000
Interest paid to Veer Enterprises Ltd.		2890857	314247
Loan Received from Orbit Udyog Pvt Ltd		12500000	40000000
Loan repayment to Orbit Udyog Pvt Ltd		-	20000000
Interest paid to Orbit Udyog Pvt Ltd		1178425	314247
Loan Received from Akhivita Tea Plantation & Agro Ind. Ltd.		18500000	40000000
Loan repayment toAkhivita Tea Plantation & Agro Ind. Ltd.		-	20000000
Interest paid to Akhivita Tea Plantation & Agro Ind. Ltd.		63062	314247
Loan Received from Gold Mohore Investments Co. Ltd.		9000000	40000000
Loan repayment to Gold Mohore Investments Co. Ltd.		-	20000000
Interest paid to Gold Mohore Investments Co. Ltd.		756953	314247
Loan Received from The Indra Company Ltd.		7500000	40000000
Loan repayment to The Indra Company Ltd.		-	20000000
Interest paid to The Indra Company Ltd.		936370	314247
Loan Received from Saumya Trade & Fiscal Services (P) Ltd.		10000000	40000000
Loan repayment to Saumya Trade & Fiscal Services (P) Ltd.		-	20000000
Interest paid to Saumya Trade & Fiscal Services (P) Ltd.		1320685	314247
Loan Received from Shree Kumar Bangur		64000000	40000000
Loan repayment to Shree Kumar Bangur		-	20000000
Interest paid to Shree Kumar Bangur		4034247	314247
Loan Received from Virendraa Bangur		28000000	40000000
Loan repayment to Virendraa Bangur		-	20000000
Interest paid to Virendraa Bangur		2526076	314247
Remuneration paid to Virendraa Bangur		5490452	4300549
Remuneration paid to P.N. Ojha		2699239	2563105
Remuneration paid to Bharati Bangur		669618	636821
Professional fees paid to Smt. Shashi Devi Bangur		60000	7500
Remuneration paid to P K Gupta		1275044	-
Remuneration paid to R K Gupta		433440	-



C) Details of Outstanding Payment to related party	
The West Coast Paper Mills Ltd.	
Shree Kumar Bangur	
Virendraa Bangur	
Veer Enterprises Ltd	
The Diamond Company Ltd.	
Shree Satyanarayan Investments Co. Ltd.	
Orbit Udyog Pvt Ltd	
Akhivita Tea Plantation & Agro Ind. Ltd.	
Gold Mohore Investments Co. Ltd.	
The Indra Company Ltd.	
Saumya Trade & Fiscal Services (P) Ltd.	
B.N. Kapur Pvt.Ltd	
Crossley & Towers Pvt.Ltd.	
Sri Girija Prasanna Cotton Mills Ltd.	

271971		656902
67630820		-
30273469		-
38950824		20149054
20946332		15005547
38429849		22662431
18575870		5015287
18556756		-
9681257		-
8342733		-
11188617		-
2000000		2023671
10000000		10114657
15200000		15205696

2.28 As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The average net profit of the Company made during the three immediately financial years, as calculated under the provision of section 198 of the Companies Act, 2013, is negative, therefore no amount has been earmarked for the purpose of Corporate Social Responsibilities.

2.29 The Board has approved in their meeting held on 8th September, 2014 sale of the Company's Chloro Alkali Manufacturing facility at Ganajam in Orissa and Salt manufacturing facility at Pundi in Andhra Pradesh "as is basis" on a slump sale as a going concern to Aditya Birla Chemicals (India) Ltd (ABCIL)sum consideration of Rs. 212 crores.The Company is under process to finalise the closing date for hand over.

2.30 The Company has recognised Rs. 14833755/- towards insurance claim receivables against loss of raw-materials and equipments as exceptional item.

2.31 Basis of calculation of Basic and Diluted Earnings Per Share is as under :

Profit after Tax	(285386248)	(180892255)
Weighted average number of Equity Shares	29326457	29326457
Basic and diluted earnings per share	(9.73)	(6.17)
Nominal Value of Share (Par Value)	10	10

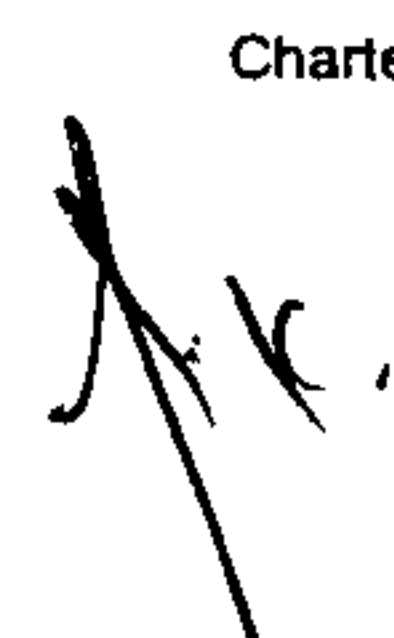
2.32 Figures in bracket represent amount related to previous year.


2.33 Previous year's figures have been rearranged / regrouped wherever necessary.

Signatures to Note Nos. 1 and 2.

Place: Kolkata
Date: 14th May, 2015

For K N GUTGUTIA & CO
Chartered Accountants


B. K. Bhutia
Partner
Membership No.059363


Directors


R. K. Gupta

Additional information pursuant to the Schedule III of the Companies Act 2013 in Consolidated Financial Statements:

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount(Rs.)	As % of consolidated profit or loss	Amount(Rs.)
1	2	3	4	5
Parent-Jayshree Chemicals Limited	90.66%	57040900	99.86%	-285026029
	(98.20%)	(342066929)	(99.85%)	(-180633574)
Subsidiaries				
Indian				
East Coast Powers Limited	8.60%	5412408	0.13%	-360219
	(01.66%)	(5772627)	(00.14%)	(-258681)
Minority Interests in all subsidiaries	0.74%	465494	0.01%	-30008
	(00.14%)	(495502)	(00.01%)	(-21557)
TOTAL	100.00%	62918802	100.00%	-285416256
Total -Previous Year	100.00%	(348335058)	100%	(-180913812)

Place: Kolkata
Date: 14th May, 2015



On behalf of the Board

[Signature]
Directors *[Signature]*

[Signature]
R.K. Gupta

Statement containing salient features of the financial statement of subsidiary

Part "A": Subsidiaries

Name of Subsidiary	East Coast Powers Limited	
	As at 31.03.2015	As at 31.03.2014
1 Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No
2 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA
3 Share Capital	6500000	6500000
4 Reserves & Surplus	(448700)	(58473)
5 Total Assets	9185619	8918158
6 Total Liabilities	3134319	2476631
7 Investments	-	-
8 Turnover	72232	47634
9 Profit before Taxation	(390227)	(280238)
10 Provision for Taxation	-	-
11 Profit after Taxation	(390,227)	(280,238)
12 Proposed Dividend	-	-
13 % of shareholding	-	-

On behalf of the Board

[Signature]
 Directors

[Signature]
 R. K. Gupta

Place: Kolkata
 Date: 14th May, 2015

